

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551-5400.

Dated: August 1, 2013.

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2013-18933 Filed 8-1-13; 4:15 pm]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-70076; File No. SR-OCC-2013-09]

### Self-Regulatory Organizations; The Options Clearing Corporation; Order Approving Proposed Rule Change, as Modified by Amendment No. 1, To Separate the Powers and Duties Currently Combined in the Office of OCC's Chairman Into Two Offices, Chairman and President, and Create an Additional Directorship To Be Occupied by the President

July 30, 2013.

#### I. Introduction

On June 4, 2013 The Options Clearing Corporation ("OCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change SR-OCC-2013-09 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder.<sup>2</sup> On June 10, 2013, OCC filed Amendment No. 1 to the proposed rule change.<sup>3</sup> The proposed rule change, as modified by Amendment No. 1, was published for comment in the **Federal Register** on June 21, 2013.<sup>4</sup> The Commission received no comment letters. For the reasons discussed below, the Commission is granting approval of the proposed rule change.

#### II. Description

The purpose of this rule change is to provide for separation of the powers and duties currently combined in the office of OCC's Chairman of the Board of Directors into two offices, Chairman<sup>5</sup> and President, and create an additional

directorship to be occupied by the President.

#### Proposal Overview

In the course of OCC's review of the structure of the Board of Directors, OCC determined that dividing the powers and duties of the Chairman of the Board into two positions, Chairman and President, would enhance oversight of OCC management by making the Chairman independent of most management functions. Pursuant to the rule change, the Chairman will be responsible for oversight of: (i) The control functions of OCC, including enterprise risk management, internal audit and compliance; (ii) external affairs; and (iii) presiding at all meetings of OCC's Board of Directors and OCC's stockholders. The President will report to the Chairman and be responsible for all aspects of OCC's business that do not report directly to the Chairman. Under OCC's rule change, OCC's President, who will also serve as Chief Executive Officer, will focus on the effectiveness of OCC's day-to-day operations, as well as strategic initiatives for the future.

OCC expects that the Chairman's direct oversight of control functions will increase independence by limiting management's influence over such functions. In addition, OCC notes that the significance of these control functions for a clearing agency warrants full-time oversight, which can only be provided by an executive of OCC.

To reflect the above changes in its governance structure, OCC will revise Section 7 of Article III of its By-Laws to include OCC's President as a Management Director, along with OCC's Chairman.<sup>6</sup> OCC will also revise Article IV of its By-Laws to include references to the President in certain provisions governing OCC's officers.<sup>7</sup> OCC will also

<sup>6</sup> Sections 1, 7 and 12 of Article III will also be amended to reflect the existence of an additional Management Director. Furthermore, OCC will amend Section 15 of Article III to grant the President the same authority to act in the case of an emergency as the Chairman and, consequently, OCC will remove the President as one of the "Designated Officers" to whom such authority would devolve if certain enumerated officers are unavailable.

<sup>7</sup> The amended Section 1 of Article IV will include the President, along with the Chairman, as an officer required to be elected by the Board of Directors. Section 8 of Article IV, as amended, will no longer give the Board the option of electing a President, but will make such office required. Sections 6 and 8 of Article IV will be amended to specify the duties of the Chairman and President, respectively. Sections 2, 3, and 13 of Article IV will be amended to give the President power, like the Chairman, to appoint and remove certain officers and agents to carry out the functions assigned to him and may determine the salaries of these appointees and agents. Sections 7 and 9 will be amended to add references to the President, in

amend Articles IV and V of its Certificate of Incorporation to reflect the existence of an additional Management Director. Finally, OCC will also amend Sections 2 and 3 of the Stockholders Agreement to provide for the election of the President, in addition to the Chairman, as a Management Director.

#### Implementation Timeframe

OCC will notify members of the date on which it intends to implement the rule change through the posting of an information memo on the OCC Web site. The change will not take effect until such date OCC designates as the date of implementation. OCC expects to implement the rule change no later than December 31, 2013.

#### III. Discussion

Section 19(b)(2)(C) of the Act<sup>8</sup> directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such organization. Section 17A(b)(3)(A) of the Act<sup>9</sup> requires that a clearing agency that is registered with the Commission be organized and have the capacity to be able to, among other things, facilitate the prompt and accurate clearance and settlement of securities transactions.

The Commission finds that the rule change is consistent with Section 17A(b)(3)(A) of the Act<sup>10</sup> because by separating the powers and duties currently combined in the office of OCC's Chairman into two offices, the rule change should enhance oversight of management by ensuring that the Chairman is independent of most management functions and that the separation of powers and duties over OCC operations is not overly concentrated in the hands of a single individual, thereby promoting greater accountability of management to the Board of Directors. In so doing, OCC's rule change should improve its corporate governance structure and provide for an appropriate checks and balance between oversight by OCC's Board of Directors and OCC management of day-to-day operations, which in turn, should facilitate the prompt and accurate clearance and settlement of securities transactions.

addition to the Chairman, when referencing the highest-ranking officers of OCC.

<sup>8</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>9</sup> 15 U.S.C. 78q-1(b)(3)(A).

<sup>10</sup> *Id.*

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Amendment No. 1 corrects an administrative oversight related to a sentence reference in OCC's Certificate of Incorporation.

<sup>4</sup> Release No. 34-69771 (June 17, 2013), 78 FR 37640 (June 21, 2013).

<sup>5</sup> Pursuant to Article IV, Section 6, of OCC's By-Laws, the Chairman of the Board is also the Executive Chairman.

#### IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act<sup>11</sup> and the rules and regulations thereunder.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>12</sup> that the proposed rule change (File No. SR-OCC-2013-09) be and hereby is APPROVED.<sup>13</sup>

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.<sup>14</sup>

**Kevin M. O'Neill,**  
*Deputy Secretary.*

[FR Doc. 2013-18761 Filed 8-2-13; 8:45 am]

BILLING CODE 8011-01-P

### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-70065; File No. SR-NYSEMKT-2013-64]

#### Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Modifying the Content of the NYSE MKT Trades Digital Media Data Feed

July 30, 2013.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the "Act")<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that on July 18, 2013, NYSE MKT LLC (the "Exchange" or "NYSE MKT") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to revise the description of the NYSE MKT Trades Digital Media data feed. The text of the proposed rule change is available on the Exchange's Web site at [www.nyse.com](http://www.nyse.com),

at the principal office of the Exchange, and at the Commission's Public Reference Room.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

##### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, Proposed Rule Change

###### 1. Purpose

The Exchange proposes to revise the description of the NYSE MKT Trades Digital Media data feed.

In 2010, the Securities and Exchange Commission ("Commission") approved the NYSE MKT Trades data feed and certain fees for it.<sup>4</sup> NYSE MKT Trades is a NYSE MKT-only market data feed that allows a vendor to redistribute on a real-time basis the same last sale information that the Exchange reports under the Consolidated Tape Association ("CTA") Plan for inclusion in the CTA Plan's consolidated data streams and certain other related data elements. Specifically, NYSE MKT Trades includes the real-time last sale price, time, size, and bid/ask quotations for each security traded on the Exchange and a stock summary message. The stock summary message updates every minute and includes NYSE MKT's opening price, high price, low price, closing price, and cumulative volume for the security.

In April 2013, the Exchange began offering a new version of NYSE MKT Trades called "NYSE MKT Trades Digital Media," which was described as including the real-time last sale price, time, size, and stock summary message for each security traded on the Exchange, but not including access to the bid/ask quotation included with the NYSE MKT Trades product.<sup>5</sup> At that time, the Exchange believed that it

could efficiently remove the bid/ask information from the feed but has since determined that the time and resources required to do so would be significant and not commensurate with the need for the change. As such, the NYSE MKT Trades Digital Media product is offered with the bid/ask component included, and as such does not have different content than the regular NYSE MKT Trades data fee. The only difference between the products is the permitted distribution channels. NYSE MKT Trades Digital Media permits market data vendors, television broadcasters, Web site and mobile device service providers, and others to distribute the data product to their customers for viewing via television, Web site, and mobile devices. They are not be [sic] permitted to provide NYSE MKT Trades Digital Media in a context in which a trading or order routing decision can be implemented unless CTA data is available in an equivalent manner, must label the products as NYSE MKT-only data, and must provide a hyperlinked notice similar to the one provided for CTA delayed data. These restrictions do not apply to the NYSE MKT Trades product.

No other changes to the data components, terms, or pricing of any product are proposed.

###### 2. Statutory Basis

The proposed rule change is consistent with Section 6(b)<sup>6</sup> of the Act, in general, and furthers the objectives of Section 6(b)(5)<sup>7</sup> of the Act, in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest, and it is not designed to permit unfair discrimination among customers, brokers, or dealers.

The Exchange offers the NYSE MKT Trades Digital Media data product in recognition of the demand for a more seamless and easier-to-administer data distribution model that takes into account the expanded variety of media and communication devices that investors utilize today. As described above, the Exchange has determined that the expense of creating and monitoring a new feed without the bid-ask element is not warranted. No other

<sup>11</sup> 15 U.S.C. 78q-1.

<sup>12</sup> 15 U.S.C. 78s(b)(2).

<sup>13</sup> In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>14</sup> 17 CFR 200.30-3(a)(12).

<sup>15</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> See Securities Exchange Act Release No. 62187 (May 27, 2010), 75 FR 31500 (June 3, 2010) (SR-NYSEAmex-2010-35).

<sup>5</sup> See Securities Exchange Act Release No. 69273 (Apr. 2, 2013), 78 FR 20969 (Apr. 8, 2013) (SR-NYSEMKT-2013-30).

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(5).